

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

E-018S1A ELECTRIC
COLUMBUS ELECTRIC COOPERATIVE, INC.
PO BOX 631
DEMING, NM 88031-0631

RECEIVED

APR 26 2004

ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

| | | |
|----|----|------|
| 12 | 31 | 2003 |
|----|----|------|

FOR COMMISSION USE

| | |
|--------|----|
| ANN 01 | 03 |
|--------|----|

PROCESSED BY:

SCANNED

COMPANY INFORMATION

| | | | |
|--|--|------------------------------------|--|
| Company Name (Business Name) <u>Columbus Electric Cooperative, Inc.</u> | | | |
| Mailing Address <u>PO Box 631</u> (Street) | | | |
| <u>Deming</u> (City) | <u>NM</u> (State) | <u>88031</u> (Zip) | |
| <u>505-546-8838</u> Telephone No. (Include Area Code) | <u>505-546-3128</u> Fax No. (Include Area Code) | Pager/Cell No. (Include Area Code) | |
| Email Address _____ | | | |
| Local Office Mailing Address <u>900 N. Gold Ave.</u> (Street) | | | |
| <u>Deming</u> (City) | <u>NM</u> (State) | <u>88030</u> (Zip) | |
| <u>Same as above</u> Local Office Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Pager/Cell No. (Include Area Code) | |
| Email Address _____ | | | |

MANAGEMENT INFORMATION

| | | | |
|--|--|--|--|
| Management Contact: <u>Michael D. Fletcher</u> <u>Executive Vice President/General Mgr.</u> (Name) (Title) | | | |
| <u>Same as Above</u> (Street) (City) (State) (Zip) | | | |
| <u>Same as Above</u> Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code) | | | |
| Email Address <u>fletch@col-coop.com</u> | | | |
| On Site Manager: <u>Same</u> (Name) | | | |
| (Street) (City) (State) (Zip) | | | |
| Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code) | | | |
| Email Address _____ | | | |

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Michael Grant

(Name)

1600 Central

(Street)

Phoenix

(City)

AZ

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Charles C. Kretek

(Name)

PO Drawer 2329

(Street)

Deming

(City)

NM

(State)

88031-2329

(Zip)

505-546-2781

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☒ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☒ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

SERVICES AUTHORIZED TO PROVIDE

Check the following box/es for the services that you are authorized to provide:

☐ **Electric**

- ☐ Investor Owned Electric
- ☒ Rural Electric Cooperative
- ☐ Utility Distribution Company
- ☐ Electric Service Provider
 - ☐ Transmission Service Provider
 - ☐ Meter Service Provider
 - ☐ Meter Reading Service Provider
 - ☐ Billing and Collection
 - ☐ Ancillary Services
 - ☐ Generation Provider
 - ☐ Aggregator/Broker

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ **Gas**

- ☐ Natural Gas
- ☐ Propane

☐ **Other** (Specify) _____

STATISTICAL INFORMATION

TELECOMMUNICATION UTILITIES ONLY

| | |
|---|----------|
| Total residential access lines | _____ |
| Total business access lines | _____ |
| Total revenue from Arizona operations | \$ _____ |
| Total income from Arizona operations | \$ _____ |
| Value of assets used to serve Arizona customers | \$ _____ |
| Accumulated depreciation associated with those assets | \$ _____ |

STATISTICAL INFORMATION (CONT'D)

ELECTRIC UTILITY PROVIDERS ONLY

| | | |
|------------------------------------|------------------|-----|
| Total number of customers | <u>392</u> | |
| Residential | <u>342</u> | |
| Commercial | <u>29</u> | |
| Industrial | | |
| Public street and highway lighting | | |
| Irrigation | <u>21</u> | |
| Resale | | |
| Total kilowatt-hours sold | <u>4,536,189</u> | kWh |
| Residential | <u>1,929,323</u> | |
| Commercial | <u>332,125</u> | |
| Industrial | | |
| Public street and highway lighting | | |
| Irrigation | <u>2,274,741</u> | |
| Resale | | |
| Maximum Peak Load | <u>19,741</u> | MW |

GAS UTILITIES ONLY

| | | |
|---------------------------|--|--------|
| Total number of customers | | |
| Residential | | |
| Commercial | | |
| Industrial | | |
| Irrigation | | |
| Resale | | |
| Total therms sold | | therms |
| Residential | | |
| Commercial | | |
| Industrial | | |
| Irrigation | | |
| Resale | | |

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

APR 26 2004

VERIFICATION

STATE OF NEW MEXICO

I, THE UNDERSIGNED

OF THE

| | |
|---|---------------------------------------|
| COUNTY OF (COUNTY NAME) Luna | ARIZONA CORPORATION COMMISSION |
| NAME (OWNER OR OFFICIAL) TITLE Michael D. Fletcher, Exec. VP/General Mgr. | DIRECTOR OF UTILITIES |
| COMPANY NAME Columbus Electric Cooperative, Inc. | |

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

| | | |
|-------|-----|------|
| MONTH | DAY | YEAR |
| 12 | 31 | 2003 |

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 482,657

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 27,409
IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

21st

DAY OF

(SEAL)

SIGNATURE OF OWNER OR OFFICIAL

505-546-8838

TELEPHONE NUMBER

COUNTY NAME

Luna

MONTH

April

2004

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 10/22/2007

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 26 2004

ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

STATE OF ~~ARIZONA~~ ^{NEW MEXICO}

I, THE UNDERSIGNED

OF THE

| | |
|--|--|
| COUNTY OF (COUNTY NAME) Luna | |
| NAME (OWNER OR OFFICIAL) Michael D. Fletcher | TITLE Exec. VP/General Manager |
| COMPANY NAME Columbus Electric Cooperative, Inc. | |

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

| | | |
|-------|-----|------|
| MONTH | DAY | YEAR |
| 12 | 31 | 2003 |

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SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 232,931

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$13,392
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X

SIGNATURE OF OWNER OR OFFICIAL

505-546-8838

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

21st

DAY OF

(SEAL)

MY COMMISSION EXPIRES **10/22/2007**

NOTARY PUBLIC NAME

Rachel A. Marrufo

COUNTY NAME

Luna

MONTH

April

2004

X

SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2003) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

| | | |
|---|--|---------|
| UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | NM0025 |
| | PERIOD ENDED | 12/2003 |
| | BORROWER NAME AND ADDRESS COLUMBUS ELEC COOP INC PO Box 631 Deming, NM 88031-0631 | |
| INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2. <i>This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.</i> | | |

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects

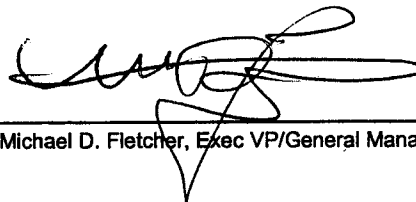
☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.



Denise K. Barrera, Financial Manager

02/06/2004

DATE



Michael D. Fletcher, Exec VP/General Manager

02/06/2004

DATE

| USDA-RUS FINANCIAL AND STATISTICAL REPORT | | BORROWER DESIGNATION NM0025 | | |
|--|----------------------------------|----------------------------------|-------------------------------|-------------------|
| INSTRUCTIONS-See RUS Bulletin 1717B-2 | | PERIOD ENDED 12/2003 | | |
| Part A. Statement of Operations | | | | |
| ITEM | Year-to-date Last Year (a) | Year-to-date This Year (b) | Year-to-date Budget (c) | This Month (d) |
| 1. Operating Revenue and Patronage Capital | 7,298,861 | 7,557,394 | 7,353,510 | 455,671 |
| 2. Power Production Expense | 0 | 0 | 0 | 0 |
| 3. Cost of Purchased Power | 3,671,076 | 3,775,055 | 3,572,890 | 221,899 |
| 4. Transmission Expense | 24,472 | 11,683 | 55,468 | 970 |
| 5. Distribution Expense - Operation | 528,876 | 542,960 | 582,542 | 43,252 |
| 6. Distribution Expense - Maintenance | 336,901 | 330,720 | 360,812 | 17,434 |
| 7. Customer Accounts Expense | 352,584 | 357,664 | 380,476 | 31,175 |
| 8. Customer Service and Informational Expense | 115,687 | 130,520 | 147,947 | 16,357 |
| 9. Sales Expense | 0 | 0 | 0 | 0 |
| 10. Administrative and General Expense | 777,344 | 887,739 | 826,762 | 97,270 |
| 11. Total Operation & Maintenance Expense (2 thru 10) | 5,806,940 | 6,036,341 | 5,926,897 | 428,357 |
| 12. Depreciation and Amortization Expense | 713,717 | 741,182 | 761,717 | 63,596 |
| 13. Tax Expense - Property & Gross Receipts | 0 | 0 | 0 | 0 |
| 14. Tax Expense - Other | 0 | 0 | 0 | 0 |
| 15. Interest on Long-Term Debt | 405,235 | 361,366 | 405,234 | 26,736 |
| 16. Interest Charged to Construction - Credit | 0 | 0 | 0 | 0 |
| 17. Interest Expense - Other | 10,090 | 19,538 | 7,200 | 2,884 |
| 18. Other Deductions | 1,601 | 24,237 | 0 | 0 |
| 19. Total Cost of Electric Service (11 thru 18) | 6,937,583 | 7,182,664 | 7,101,048 | 521,573 |
| 20. Patronage Capital & Operating Margins (1 minus 19) | 361,278 | 374,730 | 252,462 | (65,902) |
| 21. Non Operating Margins - Interest | 24,903 | 21,259 | 24,000 | 1,743 |
| 22. Allowance for Funds Used During Construction | 0 | 0 | 0 | 0 |
| 23. Income (Loss) from Equity Investments | 0 | 0 | 0 | 0 |
| 24. Non Operating Margins - Other | 0 | 0 | 0 | 0 |
| 25. Generation and Transmission Capital Credits | 0 | 0 | 0 | 0 |
| 26. Other Capital Credits and Patronage Dividends | 17,202 | (5,867) | 0 | 0 |
| 27. Extraordinary Items | 0 | 0 | 0 | 0 |
| 28. Patronage Capital or Margins (20 thru 27) | 403,383 | 390,122 | 276,462 | (64,159) |
| Part B. Data on Transmission and Distribution Plant | | | | |
| ITEM | Year-to-date Last Year (a) | Year-to-date This Year (b) | | |
| 1. New Services Connected | 130 | 161 | | |
| 2. Services Retired | 43 | 25 | | |
| 3. Total Services in Place | 5,430 | 5,551 | | |
| 4. Idle Services (Exclude Seasonal) | 1,388 | 1,376 | | |
| 5. Miles Transmission | 130.00 | 130.00 | | |
| 6. Miles Distribution - Overhead | 1,725.49 | 1,749.85 | | |
| 7. Miles Distribution - Underground | 52.99 | 55.94 | | |
| 8. Total Miles Energized (5 + 6 + 7) | 1,908.48 | 1,935.79 | | |

| USDA-RUS | | BORROWER DESIGNATION | |
|---|------------|--|--------------|
| FINANCIAL AND STATISTICAL REPORT | | NM0025 | |
| | | PERIOD ENDED | |
| INSTRUCTIONS-See RUS Bulletin 1717B-2 | | 12/2003 | |
| Part C. Balance Sheet | | | |
| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
| 1. Total Utility Plant in Service | 24,506,653 | 29. Memberships | 0 |
| 2. Construction Work in Progress | 229,112 | 30. Patronage Capital | 5,925,813 |
| 3. Total Utility Plant (1 + 2) | 24,735,765 | 31. Operating Margins - Prior Years | (1,028,866) |
| 4. Accum. Provision for Depreciation and Amort. | 10,032,757 | 32. Operating Margins - Current Year | 368,863 |
| 5. Net Utility Plant (3 - 4) | 14,703,008 | 33. Non-Operating Margins | 21,259 |
| 6. Non-Utility Property (Net) | 0 | 34. Other Margins and Equities | 0 |
| 7. Investments in Subsidiary Companies | 0 | 35. Total Margins & Equities (29 thru 34) | 5,287,069 |
| 8. Invest. in Assoc. Org. - Patronage Capital | 32,783 | 36. Long-Term Debt - RUS (Net) | 8,538,325 |
| 9. Invest. in Assoc. Org. - Other - General Funds | 16,375 | (Payments - Unapplied) | 0 |
| 10. Invest. in Assoc. Org. - Other - Nongeneral Funds | 345,536 | 37. Long-Term Debt - RUS - Econ. Devel. (Net) | 0 |
| 11. Investments in Economic Development Projects | 0 | 38. Long-Term Debt - FFB - RUS Guaranteed | 0 |
| 12. Other Investments | 0 | 39. Long-Term Debt - Other - RUS Guaranteed | 0 |
| 13. Special Funds | 0 | 40. Long-Term Debt Other (Net) | 945,499 |
| 14. Total Other Property & Investments (6 thru 13) | 394,694 | 41. Total Long-Term Debt (36 thru 40) | 9,483,824 |
| 15. Cash - General Funds | 105,865 | 42. Obligations Under Capital Leases - Noncurrent | 0 |
| 16. Cash - Construction Funds - Trustee | 100 | 43. Accumulated Operating Provisions and Asset Retirement | |
| 17. Special Deposits | 0 | Obligations | 505,451 |
| 18. Temporary Investments | 0 | 44. Total Other Noncurrent Liabilities (42 + 43) | 505,451 |
| 19. Notes Receivable (Net) | 0 | 45. Notes Payable | 0 |
| 20. Accounts Receivable - Sales of Energy (Net) | 419,008 | 46. Accounts Payable | 599,439 |
| 21. Accounts Receivable - Other (Net) | 280 | 47. Consumers Deposits | 101,598 |
| 22. Materials and Supplies - Electric & Other | 332,152 | 48. Current Maturities Long-Term Debt | 877,000 |
| 23. Prepayments | 26,678 | 49. Current Maturities Long-Term Debt-Economic | |
| 24. Other Current and Accrued Assets | 3,865 | Development | 0 |
| 25. Total Current and Accrued Assets (15 thru 24) | 887,948 | 50. Current Maturities Capital Leases | 0 |
| 26. Regulatory Assets | 1,269,152 | 51. Other Current and Accrued Liabilities | 299,239 |
| 27. Other Deferred Debits | 143,412 | 52. Total Current & Accrued Liabilities (45 thru 51) | 1,877,276 |
| 28. Total Assets and Other Debits (5+14+25 thru 27) | 17,398,214 | 53. Regulatory Liabilities | 0 |
| | | 54. Other Deferred Credits | 244,594 |
| | | 55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54) | 17,398,214 |

| USDA-RUS FINANCIAL AND STATISTICAL REPORT | | BORROWER DESIGNATION NM0025 | | | | | |
|---|---|--|--|--|------------------------|-------------------|-------------------------------|
| INSTRUCTIONS-See RUS Bulletin 1717B-2 | | PERIOD ENDED 12/2003 | | | | | |
| Part E. Changes in Utility Plant | | | | | | | |
| PLANT ITEM | Balance Beginning of Year | Additions | Retirements | Adjustments and Transfers | Balance End of Year | | |
| Distribution Plant | 19,501,797 | 1,409,795 | 308,585 | 0 | 20,603,007 | | |
| General Plant | 1,737,747 | 139,452 | 130,489 | (1,000) | 1,745,710 | | |
| Headquarters Plant | 788,395 | 31,780 | 0 | 0 | 820,175 | | |
| Intangibles | 411 | 0 | 0 | 0 | 411 | | |
| Transmission Plant | 1,323,937 | 15,457 | 2,044 | 0 | 1,337,350 | | |
| All Other Utility Plant | 0 | 0 | 0 | 0 | 0 | | |
| Total Utility Plant in Service (1 thru 6) | 23,352,287 | 1,596,484 | 441,118 | (1,000) | 24,506,653 | | |
| Construction Work in Progress | 327,816 | (98,704) | | | 229,112 | | |
| TOTAL UTILITY PLANT (7 + 8) | 23,680,103 | 1,497,780 | 441,118 | (1,000) | 24,735,765 | | |
| Part F. Materials and Supplies | | | | | | | |
| ITEM | Balance Beginning of Year (a) | Purchased (b) | Salvaged (c) | Used (Net) (d) | Sold (e) | Adjustment (f) | Balance End of Year (g) |
| 1. Electric | 331,825 | 243,863 | 0 | 246,127 | 0 | 0 | 329,561 |
| 2. Other | 2,592 | 0 | 0 | 0 | 0 | 0 | 2,592 |
| Part G. Service Interruptions | | | | | | | |
| ITEM | Avg. Hours per Consumer by Cause Power Supplier (a) | Avg. Hours per Consumer by Cause Extreme Storm (b) | Avg. Hours per Consumer by Cause Prearranged (c) | Avg. Hours per Consumer by Cause All Other (d) | TOTAL (e) | | |
| 1. Present Year | 0.00 | 0.77 | 0.00 | 0.91 | 1.68 | | |
| 2. Five-Year Average | 0.85 | 2.35 | 0.12 | 2.12 | 5.44 | | |
| Part H. Employee-Hour and Payroll Statistics | | | | | | | |
| | | | | | | | Amount |
| 1. Number of Full Time Employees | | | | | | | 29 |
| 2. Employee - Hours Worked - Regular Time | | | | | | | 61,101 |
| 3. Employee - Hours Worked - Overtime | | | | | | | 2,539 |
| 4. Payroll - Expensed | | | | | | | 717,163 |
| 5. Payroll - Capitalized | | | | | | | 446,697 |
| 6. Payroll - Other | | | | | | | 138,891 |

| | | | |
|---|--|--------------------------------|--|
| USDA-RUS FINANCIAL AND STATISTICAL REPORT | | BORROWER DESIGNATION NM0025 | |
| INSTRUCTIONS-See RUS Bulletin 1717B-2 | | PERIOD ENDED 12/2003 | |

| Part I. Patronage Capital | | | |
|-------------------------------------|---|------------------|-------------------|
| ITEM | DESCRIPTION | This Year (a) | Cumulative (b) |
| 1. Capital Credits Distributions | a. General Retirements | 0 | 83,994 |
| | b. Special Retirements | 0 | 0 |
| | c. Total Retirements (a + b) | 0 | 83,994 |
| 2. Capital Credits Received | a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power | 0 | |
| | b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System | 12,633 | |
| | c. Total Cash Received (a + b) | 12,633 | |

| Part J. Due from Consumers for Electric Service | |
|---|--------|
| | Amount |
| 1. AMOUNT DUE OVER 60 DAYS | 5,864 |
| 2. AMOUNT WRITTEN OFF DURING YEAR | 6,777 |

FINANCIAL AND STATISTICAL REPORT

NM0025

12/2003

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part K. kWh Purchased and Total Cost

| Line No. | ITEM (a) | RUS Use Only Supplier Code (b) | kWh Purchased (c) | Total Cost (d) | Average Cost (Cents/kWh) (e) | Included in Total Cost Fuel Cost Adjustment (f) | Included in Total Cost Wheeling and Other Charges (or credits) (g) |
|--------------|------------------------------------|---|----------------------|-------------------|---------------------------------------|---|---|
| 1 | Tri-State G & T Assn, Inc (CO0047) | 30151 | 89,974,208 | 3,775,055 | 4.20 | 0 | 0 |
| 2 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 3 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 4 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 5 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 6 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 7 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 8 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 9 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 10 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 11 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 12 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 13 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 14 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 15 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 16 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 17 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 18 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 19 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| 20 | | 0 | 0 | 0 | 0.00 | 0 | 0 |
| Total | | | 89,974,208 | 3,775,055 | 4.20 | 0 | 0 |

Part L. Long Term Leases

| Name of Lessor (a) | Type of Property (b) | Rental This Year (c) |
|---------------------------|-----------------------------|----------------------------|
| NONE | | 0 |
| | | 0 |
| | | 0 |
| | | 0 |
| | | 0 |
| | | 0 |
| | | 0 |
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| Total | | 0 |

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|--|---|---|--|
| USDA-RUS FINANCIAL AND STATISTICAL REPORT | | BORROWER DESIGNATION NM0025 | |
| INSTRUCTIONS-See RUS Bulletin 1717B-2 | | PERIOD ENDED 12/2003 | |
| Part M. Annual Meeting and Board Data | | | |
| 1. Date of Last Annual Meeting 03/29/2003 | 2. Total Number of Members 2,579 | 3. Number of Members Present at Meeting 188 | 4. Was Quorum Present (Y/N) ? Y |
| 5. Number of Members Voting by Proxy or Mail 12 | 6. Total Number of Board Members 9 | 7. Total Amount of Fees and Expenses for Board Members 124,230 | 8. Does Manager Have Written Contract (Y/N) ? N |

| USDA-RUS FINANCIAL AND STATISTICAL REPORT | | BORROWER DESIGNATION NM0025 | | |
|--|-------------------------------|--------------------------------|--|------------------------------|
| INSTRUCTIONS-See RUS Bulletin 1717B-2 | | PERIOD ENDED 12/2003 | | |
| Part O. Power Requirements Data Base - Annual Summary | | | | |
| CLASSIFICATION | Consumer Sales & Revenue Data | December (a) | Average No. Consumers Served (b) | Total Year to Date (c) |
| 1. Residential Sales (excluding seasonal) | a. No. Consumers Served | 3,344 | 3,293 | |
| | b. kWh Sold | | | 20,483,446 |
| | c. Revenue | | | 2,299,117 |
| 2. Residential Sales - Seasonal | a. No. Consumers Served | 0 | 0 | |
| | b. kWh Sold | | | 0 |
| | c. Revenue | | | 0 |
| 3. Irrigation Sales | a. No. Consumers Served | 250 | 256 | |
| | b. kWh Sold | | | 33,247,062 |
| | c. Revenue | | | 2,815,464 |
| 4. Comm. and Ind. 1000 KVA or Less | a. No. Consumers Served | 572 | 561 | |
| | b. kWh Sold | | | 16,700,543 |
| | c. Revenue | | | 1,639,124 |
| 5. Comm. and Ind. Over 1000 KVA | a. No. Consumers Served | 1 | 1 | |
| | b. kWh Sold | | | 11,521,032 |
| | c. Revenue | | | 757,682 |
| 6. Public Street & Highway Lighting | a. No. Consumers Served | 13 | 13 | |
| | b. kWh Sold | | | 88,104 |
| | c. Revenue | | | 12,318 |
| 7. Other Sales to Public Authorities | a. No. Consumers Served | 0 | 0 | |
| | b. kWh Sold | | | 0 |
| | c. Revenue | | | 0 |
| 8. Sales for Resales - RUS Borrowers | a. No. Consumers Served | 0 | 0 | |
| | b. kWh Sold | | | 0 |
| | c. Revenue | | | 0 |
| 9. Sales for Resale - Other | a. No. Consumers Served | 0 | 0 | |
| | b. kWh Sold | | | 0 |
| | c. Revenue | | | 0 |
| 10. TOTAL No. of Consumers (lines 1a thru 9a) | | 4,180 | 4,124 | |
| 11. TOTAL kWh Sold (lines 1b thru 9b) | | | | 82,040,187 |
| 12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c) | | | | 7,523,705 |
| 13. Other Electric Revenue | | | | 33,692 |
| 14. kWh - Own Use | | | | 0 |
| 15. TOTAL kWh Purchased | | | | 89,974,208 |
| 16. TOTAL kWh Generated | | | | 0 |
| 17. Cost of Purchases and Generation and Transmission Expense | | | | 3,786,738 |
| 18. Interchange - kWh - Net | | | | 0 |
| 19. System Peak - Sum Annual Peak kW Input from all Sources (Metered) | | | | 19,741 |
| Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/> | | | | |

| USDA-RUS FINANCIAL AND STATISTICAL REPORT | | BORROWER DESIGNATION NM0025 | | | |
|--|---------------------------------------|--------------------------------|-------------------------|-------------------------------|--------------------------|
| INSTRUCTIONS-See RUS Bulletin 1717B-2 | | PERIOD ENDED 12/2003 | | | |
| 7a - Part I. Investments | | | | | |
| Line No. | Description (a) | Included (\$) (b) | Excluded (\$) (c) | Income or Loss (\$) (d) | Rural Development (e) |
| 2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS | | | | | |
| 1 | NRUCFC Patronage Capital | 0 | 32,783 | 7,924 | |
| 2 | CSI Patronage Capital | 0 | 16,375 | 0 | |
| 3 | Federated Insurance Patronage Capital | 0 | 11,909 | 258 | |
| 4 | NRUCFC CTCs | 0 | 316,421 | 134 | |
| 5 | Valley Telephone Patronage Capital | 0 | 8,221 | 453 | |
| 6 | NMRECA Membership | 15 | 0 | 0 | |
| 7 | CSI Membership | 100 | 0 | 0 | |
| 8 | TriState Membership | 5 | 0 | 0 | |
| 9 | NMRECA Equity | 4,652 | 0 | 0 | |
| 10 | Bason Electric Membership | 100 | 0 | 0 | |
| 11 | NISC Membership | 100 | 0 | 0 | |
| 12 | Touchstone Energy | 3,013 | 0 | 0 | |
| 13 | CFC Membership | 1,000 | 0 | 0 | |
| Total: 2. INVESTMENTS IN ASSOCIATED ORGANIZATIONS | | 8,985 | 385,709 | 8,769 | |
| 6. CASH - GENERAL | | | | | |
| 14 | First New Mexico Bank | 0 | 105,865 | | |
| Total: 6. CASH - GENERAL | | 0 | 105,865 | | |
| 9. ACCOUNTS & NOTES RECEIVABLE - NET | | | | | |
| 15 | Miscellaneous Accounts Receivable | 280 | 0 | 0 | |
| 16 | | 0 | 0 | 0 | |
| Total: 9. ACCOUNTS & NOTES RECEIVABLE - NET | | 280 | 0 | 0 | |
| 17 | | | | | |
| 18 | | | | | |
| 19 | | | | | |
| 20 | | | | | |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
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| 36 | | | | | |
| 37 | | | | | |

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|---------------------------------------|-----------------|----------------------|----------------------|----------------------------|-----------------------|
| USDA-RUS | | BORROWER DESIGNATION | | | |
| FINANCIAL AND STATISTICAL REPORT | | NM0025 | | | |
| | | PERIOD ENDED | | | |
| INSTRUCTIONS-See RUS Bulletin 1717B-2 | | 12/2003 | | | |
| Line No. | Description (a) | Included (\$) (b) | Excluded (\$) (c) | Income or Loss (\$) (d) | Rural Development (e) |
| 38 | | | | | |
| 39 | | | | | |
| 40 | | | | | |
| 41 | | | | | |
| 42 | | | | | |
| 43 | | | | | |
| 44 | | | | | |
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| 46 | | | | | |
| 47 | | | | | |
| 48 | | | | | |
| 49 | | | | | |
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| 51 | | | | | |
| 52 | | | | | |
| 53 | | | | | |
| 54 | | | | | |
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| 56 | | | | | |
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| 58 | | | | | |
| 59 | | | | | |
| 60 | | | | | |

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|-----------------------|-------|---------|-------|--|
| 11. TOTAL INVESTMENTS | 9,265 | 491,574 | 8,769 | |
|-----------------------|-------|---------|-------|--|

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| USDA-RUS FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION NM0025 |
| INSTRUCTIONS-See RUS Bulletin 1717B-2 | PERIOD ENDED 12/2003 |

| 7a - Part II. Loan Guarantees/Part III. Ratio | | | | | |
|---|------------------|-------------------|--------------------------|-----------------------|-----------------------|
| Line No. | Organization (a) | Maturity date (b) | Original Amount (\$) (c) | Loan Balance (\$) (d) | Rural Development (e) |
| 1 | | | 0 | 0 | |
| 2 | | | 0 | 0 | |
| 3 | | | 0 | 0 | |
| 4 | | | 0 | 0 | |
| 5 | | | 0 | 0 | |
| 6 | | | 0 | 0 | |
| 7 | | | 0 | 0 | |
| 8 | | | 0 | 0 | |
| 9 | | | 0 | 0 | |
| 10 | | | 0 | 0 | |
| TOTALS | | | 0 | 0 | |
| TOTAL (included Loan Guarantees only) | | | 0 | 0 | |

| | |
|---|---|
| Ratio of Investments and Loan Guarantees to Utility Plant Guarantees - Loan Balance (Part II, 5d) to Total Utility Plant (Form 7, Part C, Line 3)] | [Total of Included Investments (Part I, 11b) and Loan <div style="border-bottom: 1px solid black; display: inline-block; width: 100px;"></div> 0.0 % |
|---|---|

| | |
|---|--------------------------------------|
| USDA-RUS FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNINATION NM0025 |
| | PERIOD ENDED 12/2003 |
| INSTRUCTIONS-See RUS Bulletin 1717B-2 | |

| 7a - Part IV. Loans | | | | | |
|---------------------|------------------------------------|-------------------|--------------------------|-----------------------|-----------------------|
| Line No. | Organization (a) | Maturity date (b) | Original Amount (\$) (c) | Loan Balance (\$) (d) | Rural Development (e) |
| 1 | Employees, Officers, Directors | | 0 | 0 | |
| 2 | Energy Resource Conservation Loans | | 0 | 0 | |
| 3 | | | 0 | 0 | |
| 4 | | | 0 | 0 | |
| 5 | | | 0 | 0 | |
| 6 | | | 0 | 0 | |
| 7 | | | 0 | 0 | |
| 8 | | | 0 | 0 | |
| 9 | | | 0 | 0 | |
| 10 | | | 0 | 0 | |
| 11 | | | 0 | 0 | |
| 12 | | | 0 | 0 | |
| 13 | | | 0 | 0 | |
| 14 | | | 0 | 0 | |
| 15 | | | 0 | 0 | |
| TOTALS | | | 0 | 0 | |

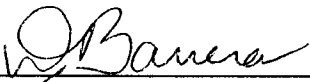
Data Error and Warning Checks

(Items that did not pass the Check)

Page 1

Borrower: COLUMBUS ELEC COOP INC (NM0025)

Year: 2003 Period: 12



Signature of Authorizing Official

Financial Manager

Title of Authorizing Official

Group: Form 7 Part A

Check ID: 710

Description: "Patronage Capital & Operating Margins" (Col. d) is generally greater than or equal to zero.

Values and rule checked: -65902.00 >= 0.00

Explanation: The month of December, 2003 was a negative margin.

Check ID: 720

Description: "Patronage Capital or Margins" (Col. d) is generally greater than or equal to zero.

Values and rule checked: -64159.00 >= 0.00

Explanation: Same as above.